

AMENDED IN ASSEMBLY JUNE 12, 2006

AMENDED IN SENATE MAY 31, 2005

AMENDED IN SENATE APRIL 11, 2005

SENATE BILL

No. 208

Introduced by Senator Alquist

(Coauthors: Assembly Members Chavez, ~~Shirley Horton~~, and Huff
Cohn, Dymally, and Matthews)

February 10, 2005

An act to amend Section 14529.23 of, and to add and repeal Section 14529.24 of, the Government Code, relating to transportation. An act to add Section 14556.31 to the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 208, as amended, Alquist. ~~Transportation projects: electronic fund transfers.~~ *Transportation: Traffic Congestion Relief Program.*

Existing law creates the Traffic Congestion Relief Program, funded by certain sales taxes on motor vehicle fuel, and specifies the projects to be funded by that program. Existing law allows a regional or local entity that is the lead applicant for a project to apply to the California Transportation Commission for a letter of no prejudice for the project that allows the entity to expend its own funds for the project with provisions for reimbursement when state funds become available.

This bill would authorize the commission to enter into a full funding grant agreement with a regional or local transportation agency that is the lead applicant for a project and that has a specified unallocated balance of Traffic Congestion Relief Program funding. The bill would declare the Legislature's intent in this regard.

~~Existing law authorizes regional or local agencies to spend their own funds on certain regional or local transportation projects included in the State Transportation Improvement Program. Existing law provides for reimbursement of those agencies by the state when the California Transportation Commission allocates funds to the project, subject to certain financial controls. Existing law requires the Department of Transportation to implement systems that allow rapid access to funds made available under executed agreements to transfer funds to those agencies, and requires the Controller to develop a system that provides access to those funds by electronic transfer.~~

~~This bill would require the Controller to develop the electronic fund access system in cooperation with the department. The bill would require the department, until January 1, 2010, to carry out a pilot program to transfer funds to the Santa Clara Valley Transportation Authority within 10 calendar days of receipt of an invoice for project expenses incurred by the authority under an executed agreement. The bill would require the department to audit the authority's project expenses and would require the authority to reimburse any expenditure the department's audit deemed ineligible. The bill would require the department, in consultation with the Controller and the authority, to report to the Legislature on or before January 1, 2009.~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.~~

The people of the State of California do enact as follows:

1 *SECTION 1. It is the intent of the Legislature to authorize the*
2 *California Transportation Commission, in consultation with*
3 *regional and local transportation agencies, to develop a*
4 *procedure and schedule for the systematic drawdown of large*
5 *unallocated project fund balances in the Traffic Congestion*
6 *Relief Program through the use of full funding grant agreements.*
7 *The Legislature intends that this approach provide regional and*
8 *local agencies with a higher level of predictability in terms of the*
9 *availability of Traffic Congestion Relief Program funding for*
10 *their respective projects, to allow the agencies to plan, develop,*
11 *and implement their projects more effectively. The procedure is*
12 *also intended to assist the commission in managing the various*
13 *allocation needs of all Traffic Congestion Relief Program*
14 *projects with outstanding fund balances in any given year.*

1 *SEC. 2. Section 14556.31 is added to the Government Code,*
2 *to read:*

3 *14556.31. The California Transportation Commission may*
4 *enter into a full funding grant agreement with a regional or local*
5 *transportation agency that is the lead applicant for a project that*
6 *is eligible for grants under Section 14556.40 and that has an*
7 *unallocated balance of Traffic Congestion Relief Program*
8 *funding exceeding one hundred million dollars (\$100,000,000).*
9 *The grant agreement shall include a schedule for the approval of*
10 *allocation requests by the commission for the amount of funding*
11 *authorized in Section 14556.40 that the lead applicant has not*
12 *yet received for its project, subject to annual appropriation by*
13 *the Legislature. A regional or local transportation agency may*
14 *apply to the commission for a full funding grant agreement*
15 *according to a timetable and requirements established by the*
16 *commission in consultation with affected transportation*
17 *agencies.*

18 ~~SECTION 1. This act shall be known and may be cited as the~~
19 ~~Traffic Congestion Relief Funding Access Act.~~

20 ~~SEC. 2. Section 14529.23 of the Government Code is~~
21 ~~amended to read:~~

22 ~~—14529.23. The department shall implement systems that~~
23 ~~allow rapid access to funds made available under executed~~
24 ~~agreements to transfer funds. The Controller, in cooperation with~~
25 ~~the department, shall develop a system that provides access to~~
26 ~~those funds by electronic transfer of funds as project expenses~~
27 ~~are incurred by a local or regional entity. Upon the development~~
28 ~~of that system by the Controller, the department shall utilize that~~
29 ~~system to comply with Section 14529.19.~~

30 ~~SEC. 3. Section 14529.24 is added to the Government Code,~~
31 ~~to read:~~

32 ~~14529.24. (a) For the purposes of this section, the department~~
33 ~~shall develop a pilot program on or before June 30, 2006, for~~
34 ~~projects within the jurisdiction of the Santa Clara Valley~~
35 ~~Transportation Authority.~~

36 ~~(b) The department, in cooperation with the Controller, shall~~
37 ~~transfer funds pursuant to Section 14529.23 to the Santa Clara~~
38 ~~Valley Transportation Authority within 10 calendar days of~~
39 ~~receipt of an invoice for project expenses incurred by the Santa~~

1 ~~Clara Valley Transportation Authority under an executed~~
2 ~~agreement.~~

3 ~~(e) Upon completion of the project for which the Santa Clara~~
4 ~~Valley Transportation Authority received funds pursuant to~~
5 ~~subdivision (b), the department shall conduct a audit to verify~~
6 ~~that funds were expended for eligible project expenses pursuant~~
7 ~~to an executed agreement. The Santa Clara Valley Transportation~~
8 ~~Authority shall reimburse any expenditures that are deemed~~
9 ~~ineligible by the department in the audit.~~

10 ~~(d) The department, in consultation with the Controller and the~~
11 ~~Santa Clara Valley Transportation Authority, shall report the~~
12 ~~results of this pilot project to the Assembly Committee on~~
13 ~~Transportation and the Senate Committee on Transportation and~~
14 ~~Housing on or before January 1, 2009.~~

15 ~~(e) This section shall remain in effect only until January 1,~~
16 ~~2010, and as of that date is repealed, unless a later enacted~~
17 ~~statute, that is enacted before January 1, 2010, deletes or extends~~
18 ~~that date.~~